

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01212A

Valencia Water Company, Inc. (Greater Buckeye Division)

c/o Global Water

21410 N 19th Ave. Ste. 201

Phoenix, AZ 85027

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ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2010
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FOR COMMISSION USE

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4-19-11

4-20-11

COMPANY INFORMATION

Company Name (Business Name) Valencia Water Company, Inc. (Greater Buckeye Division)		
Mailing Address 21410 N. 19 th Ave., Ste. 201		
Phoenix	AZ	85027
(City)	(State)	(Zip)
623-580-9600	623-580-9659	NA
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address graham.symmonds@gwresources.com		
Local Office Mailing Address Same as above		
(Street)		
(City)	(State)	(Zip)
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address		

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact: Graham Symmonds			
<input type="checkbox"/> Management Contact: Graham Symmonds CTO & SVP Regulatory Affairs & Compliance			
(Name)		(Title)	
21410 N. 19 th Ave. Ste. 210	Phoenix	AZ	85027
(Street)	(City)	(State)	(Zip)
623-580-9600	623-580-9659	602-615-4532	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address graham.symmonds@gwresources.com			
On Site Manager: Ron Fleming, General Manager, Arizona			
(Name)			
201 East Coronado Street	Buckeye	AZ	85326
(Street)	(City)	(State)	(Zip)
623-386-4252	623-386-6638	602-550-2717	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address ron.fleming@gwresources.com			

Statutory Agent: <u>Andrew Abraham, Burch & Cracchiolo, PLC</u>			
(Name)			
<u>702 East Osborn, Ste. 200</u>	<u>Phoenix</u>	<u>AZ</u>	<u>85014</u>
(Street)	(City)	(State)	(Zip)
<u>602-274-7611</u>	<u>602-234-0341</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Attorney: <u>Timothy J. Sabo, Roshka DeWulf & Patten, PLC</u>			
(Name)			
<u>400 E Van Buren, Ste. 800</u>	<u>Phoenix</u>	<u>AZ</u>	<u>85004</u>
(Street)	(City)	(State)	(Zip)
<u>602-256-6100</u>	<u>602-256-6800</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>tsabo@rdp-law.com</u>			

OWNERSHIP INFORMATION

Check the following box that applies to your company:

<input type="checkbox"/> Sole Proprietor (S)	<input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op)
<input type="checkbox"/> Partnership (P)	<input type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe) _____	

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input checked="" type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	0	0	0
302	Franchises	0	0	0
303	Land and Land Rights	27,898	0	27,898
304	Structures and Improvements	39,169	(21,892)	17,277
307	Wells and Springs	115,895	(102,466)	13,429
309	Supply Mains	0	0	0
310	Power Generation Equipment	1,738	(43)	1,695
311	Pumping Equipment	538,769	(300,562)	238,207
320	Water Treatment Equipment	844,990	(114,852)	730,138
330	Distribution Reservoirs and Standpipes	588,494	(200,909)	387,585
331	Transmission and Distribution Mains	765,540	(419,018)	346,522
333	Services	37,406	(23,086)	14,320
334	Meters and Meter Installations	37,332	(23,627)	13,705
335	Hydrants	40,757	(21,831)	18,926
336	Backflow Prevention Devices	5,432	(1,268)	4,164
339	Other Plant and Misc. Equipment	4,284	(786)	3,498
340	Office Furniture and Equipment	0	0	0
341	Transportation Equipment	0	0	0
343	Tools, Shop and Garage Equipment	1,650	(210)	1,440
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	7,491	(1,468)	6,023
347	Miscellaneous Equipment	6,823	(1,391)	5,432
348	Other Tangible Plant	8,533	(952)	7,581
390	Office Furniture & Equipment	0	0	0
	TOTALS	\$ 3,072,201	(\$ 1,234,365)	\$ 1,837,836

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	0	0%	0
302	Franchises	0	0%	0
303	Land and Land Rights	27,898	0%	0
304	Structures and Improvements	39,169	3%	1,374
307	Wells and Springs	115,895	3%	1,969
309	Supply Mains	0	2%	0
310	Power Generation Equipment	1,738	5%	43
311	Pumping Equipment	538,769	13%	104,052
320	Water Treatment Equipment	844,990	3%	36,225
330	Distribution Reservoirs and Standpipes	588,494	2%	22,186
331	Transmission and Distribution Mains	765,540	2%	24,460
333	Services	37,406	3%	1,336
334	Meters and Meter Installations	37,332	8%	4,529
335	Hydrants	40,757	2%	1,390
336	Backflow Prevention Devices	5,432	7%	317
339	Other Plant and Misc. Equipment	4,284	7%	249
340	Office Furniture and Equipment	0	7%, 14% or 20%	0
341	Transportation Equipment	0	20%	0
343	Tools, Shop and Garage Equipment	1,650	5%	83
344	Laboratory Equipment	0	10%	0
345	Power Operated Equipment	0	5%	0
346	Communication Equipment	7,491	10% or 20%	940
347	Miscellaneous Equipment	6,823	10%	129
348	Other Tangible Plant	8,533	10%	393
390	Office Furniture & Equipment	0	3%	0
	TOTALS	\$ 3,072,201		\$ 199,675

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash and cash equivalents	(\$ 138)	(\$ 138)
132	Special Deposits	10,873	12,946
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	12,397	58,108
143	Accumulated Provision for Uncollectible Accounts	(3,093)	(6,295)
151	Plant Material and Supplies	0	0
162	Prepayments	5,082	6,637
174	Miscellaneous Current and Accrued Assets	15,164	13,438
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 40,285	\$ 84,696
	FIXED ASSETS		
101	Utility plant in service (All)	\$ 3,051,042	\$ 3,072,199
103	Property Held for Future Use	0	0
105	Construction Work-in-Progress	5,269	0
108	Accumulated Depreciation - Utility Plant	(1,038,560)	(1,234,365)
121	Non-Utility Property	0	0
122	Accumulated Depreciation - Non Utility	0	0
	TOTAL FIXED ASSETS	\$ 2,017,751	\$ 1,837,834
	OTHER ASSETS		
114	Utility Plant Acquisition Adjustments	\$ 1,888,677	\$ 1,888,677
181	Unamortized Debt Discount & Expense	45	0
190	Accumulated Deferred Income Taxes	15,390	38,846
	TOTAL OTHER ASSETS	\$ 1,904,112	\$ 1,927,523
	TOTAL ASSETS	\$ 3,962,148	\$ 3,850,053

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts payable	\$ 79,969	\$ 62,346
232	Notes Payable (Current Portion)	11,261	12,045
235	Customer Deposits	13,269	28,510
236	Accrued Taxes	8,417	9,576
237	Accrued Interest	1,760	2,559
241	Miscellaneous Current and Accrued Liabilities	24,734	46,404
253	Other Deferred Credits	7,811	2,386
	TOTAL CURRENT LIABILITIES	\$ 147,221	\$ 163,826
	LONG-TERM DEBT (Over 12 Months)		
224	Other Long-Term Debt	\$ 146,311	\$ 134,266
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction	747,864	730,996
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	407,979	407,979
272	Less: Amortization of Contributions	(91,795)	(146,277)
281	Accumulated Deferred Income Taxes	0	0
	TOTAL DEFERRED CREDITS	\$ 1,064,048	\$ 992,698
	TOTAL LIABILITIES	\$ 1,357,580	\$ 1,290,790
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 0	\$ 0
211	Paid in Capital in Excess of Par Value	2,489,049	2,467,256
215	Retained Earnings	115,519	92,007
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	TOTAL CAPITAL	\$ 2,604,568	\$ 2,559,263
	TOTAL LIABILITIES AND CAPITAL	\$ 3,962,148	\$ 3,850,053

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 336,851	\$ 386,931
460	Unmetered Water Revenue	749	2,106
474	Other Water Revenues	15,817	13,791
	TOTAL REVENUES	\$ 353,417	\$ 402,828
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 83,036	\$ 124,086
610	Purchased Water	52,384	48,729
615	Purchased Power	25,191	22,231
618	Chemicals	5,291	5,019
620	Repairs and Maintenance	879	7,577
621	Office Supplies and Expense	12,199	5,905
630	Outside Services	759	21,330
635	Water Testing	7,595	7,221
641	Rents	4,995	0
650	Transportation Expenses	4,340	7,573
657	Insurance – General Liability	3,330	3,081
659	Insurance - Health and Life	1,546	1,135
666	Regulatory Commission Expense – Rate Case	0	2,133
675	Miscellaneous Expense	9,209	15,706
403	Depreciation Expense	140,075	199,675
403	Depreciation Expense – CIAC Amortization	(20,399)	(54,481)
408	Taxes Other Than Income	815	1,127
408.11	Property Taxes	16,351	20,780
409	Income Tax	(2,145)	(23,456)
	TOTAL OPERATING EXPENSES	\$ 345,451	\$ 415,371
	OPERATING INCOME/(LOSS)	\$ 7,966	\$ (12,543)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	(11,463)	(10,970)
	TOTAL OTHER INCOME/(EXPENSE)	(\$ 11,463)	(\$ 10,970)
	NET INCOME/(LOSS)	(\$ 3,497)	(\$ 23,513)

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	4/1991	6/2003	11/2006	
Source of Loan	Seller – Garcia	WIFA	WIFA	
ACC Decision No.	57607	64890	68450	
Reason for Loan	First Lien	Interconnect Pipe	Arsenic Treatment	
Dollar Amount Issued	\$66,000	\$55,000	\$90,638	\$
Amount Outstanding	\$21,558	\$38,587	\$86,165	\$
Date of Maturity	1/2015	11/2022	10/2026	
Interest Rate	8.000%	4.688%	6.650%	%
Current Year Interest	\$2,035	\$1,871	\$5,893	\$
Current Year Principle	\$4,350	\$2,438	\$4,473	\$

Meter Deposit Balance at Test Year End

\$ 25,510

Meter Deposits Refunded During the Test Year

\$ 8,228

COMPANY NAME: Valencia Water Company - Greater Buckeye Division	
Name of System: Sonoran Ridge	ADEQ Public Water System Number: AZ-04-07-732

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (Inches)	Year Drilled
55-572657 Sonoran Ridge	30	150	700	6	4"	1999

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (GPM)	Gallons Purchased or Obtained (In Thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
20	2	34	
30	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
250,000 GAL	1	5,000 GAL	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Valencia Water Company - Greater Buckeye Division	
Name of System: Sonoran Ridge	ADEQ Public Water System Number: AZ-04-07-732

MAINS

CUSTOMER METERS

Size (in Inches)	Material	Length (in Feet)
8	DIP	1,311
8	PVC	10,786
10	PVC	4,468
12	PVC	538
6	UNK	117
12	UNK	102
16	UNK	91

Size (in inches)	Quantity
1"	41
5/8"	20

- ABS = Acrylonitrile-Butadiene-Styrene

AC = Asbestos Cement

ACP = Asbestos Concrete Pipe

ASWP = American Spiral Weld Pipe

CU = Copper

DIP = Ductile Iron Pipe

DIP150 = 150# Ductile Iron Pipe

=
- GALV = Galvanized Steel Pipe

PVC = Polyvinyl Chloride

PVCCL1 = PVC 900 CL 150

PVCCL2 = PVC 900 CL 200

PVCNP = PVC - Not Purple

SDRCL1 = PVC SDR 26 CL 160

STEEL = Steel

UNK = Unknown

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:
Arsenic Treatment System
Chlorinator installed at well site

STRUCTURES:
Disinfection system has a prefabricated shed to secure the chemical tank and equipment, in addition to chemical

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Valencia Water Company - Greater Buckeye Division	
Name of System: Bulfer/Primrose	ADEQ Public Water System Number: AZ-04-07-114

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (Inches)	Year Drilled
55-618513 Bulfer/Primrose	5	40	273	8	1 1/2"	1972

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (GPM)	Gallons Purchased or Obtained (In Thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	2	10	
25	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
130,000 GAL	1	2,400 GAL	1

MAINS

CUSTOMER METERS

Size (in Inches)	Material	Length (in Feet)
4	PVC	1,321
8	PVC	5,416
-99	UNK	6,655
6	UNK	563
8	UNK	118

Size (in inches)	Quantity
1"	8
3/4"	1
5/8"	83

ABS = Acrylonitrile-Butadiene-Styrene	GALV = Galvanized Steel Pipe
AC = Asbestos Cement	PVC = Polyvinyl Chloride
ACP = Asbestos Concrete Pipe	PVCCL1 = PVC 900 CL 150
ASWP = American Spiral Weld Pipe	PVCCL2 = PVC 900 CL 200
CU = Copper	PVCNP = PVC - Not Purple
DIP = Ductile Iron Pipe	SDRCL1 = PVC SDR 26 CL 160
DIP150 = 150# Ductile Iron Pipe	STEEL = Steel
=	UNK = Unknown

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Valencia Water Company - Greater Buckeye Division	
Name of System: Bulfer/Primrose	ADEQ Public Water System Number: AZ-04-07-114

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:
Chlorinator installed at well site

STRUCTURES:
Disinfection system has a prefabricated shed to secure the chemical tank and equipment, in addition to chemical containment

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Valencia Water Company - Greater Buckeye Division	
Name of System: Sweetwater 2	ADEQ Public Water System Number: AZ-04-07-129

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (Inches)	Year Drilled
55-802332			0	6		1970
55-802333 Sweetwater 2	5	40	279	8	1 1/2"	1970

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (GPM)	Gallons Purchased or Obtained (In Thousands)
City of Goodyear Interconnect		12,072

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	1		
7.5	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
157,000 GAL	1	3,400 GAL	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Valencia Water Company - Greater Buckeye Division	
Name of System: Sweetwater 2	ADEQ Public Water System Number: AZ-04-07-129

MAINS

CUSTOMER METERS

Size (in Inches)	Material	Length (in Feet)
-99		453
3	ACP	1,013
6	ACP	6,972
6	DIP	512
4	SDRCL1	1,026
2	UNK	312
3	UNK	1,037
4	UNK	2,662
6	UNK	984

Size (in inches)	Quantity
1"	4
3/4"	1
5/8"	90

- ABS = Acrylonitrile-Butadiene-Styrene

AC = Asbestos Cement

ACP = Asbestos Concrete Pipe

ASWP = American Spiral Weld Pipe

CU = Copper

DIP = Ductile Iron Pipe

DIP150 = 150# Ductile Iron Pipe

=
- GALV = Galvanized Steel Pipe

PVC = Polyvinyl Chloride

PVCCL1 = PVC 900 CL 150

PVCCL2 = PVC 900 CL 200

PVCNP = PVC - Not Purple

SDRCL1 = PVC SDR 26 CL 160

STEEL = Steel

UNK = Unknown

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:
Chlorinator installed at well site

STRUCTURES:
Disinfection system has a prefabricated shed to secure the chemical tank and equipment, in addition to chemical containment

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Valencia Water Company - Greater Buckeye Division	
Name of System: Sun Valley/SW 1	ADEQ Public Water System Number: AZ-04-07-195

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (Inches)	Year Drilled
55-800946 SVR Well #2	50	350	600	16		1957
55-800947 Sun Valley	30	275	747	20	6"	1995
55-802328 Sweetwater 1	3	30	513	18		1969
55-802329			0	6		1968
55-802330			0	6		1968

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (GPM)	Gallons Purchased or Obtained (In Thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
20	1	42	
25	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
11,000 GAL	1	2,000 GAL	1
125,000 GAL	1	3,000 GAL	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Valencia Water Company - Greater Buckeye Division	
Name of System: Sun Valley/SW 1	ADEQ Public Water System Number: AZ-04-07-195

MAINS

CUSTOMER METERS

Size (in Inches)	Material	Length (in Feet)
6	AC	5,302
4	ACP	388
6	ACP	830
4	PVC	2,248
6	PVC	60,797
8	PVC	7,962
10	PVC	2,204
-99	UNK	302
4	UNK	7,318
6	UNK	4,028
8	UNK	5,849
10	UNK	64

Size (in inches)	Quantity
1"	8
3/4"	2
5/8"	407

ABS = Acrylonitrile-Butadiene-Styrene	GALV = Galvanized Steel Pipe
AC = Asbestos Cement	PVC = Polyvinyl Chloride
ACP = Asbestos Concrete Pipe	PVCCL1 = PVC 900 CL 150
ASWP = American Spiral Weld Pipe	PVCCL2 = PVC 900 CL 200
CU = Copper	PVCNP = PVC - Not Purple
DIP = Ductile Iron Pipe	SDRCL1 = PVC SDR 26 CL 160
DIP150 = 150# Ductile Iron Pipe	STEEL = Steel
=	UNK = Unknown

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:
Chlorinator installed at Sun Valley booster

STRUCTURES:
Disinfection system has a prefabricated shed to secure the chemical tank and equipment, in addition to chemical containment

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: VALENCIA WATER COMPANY – GREATER BUCKEYE DIVISION	
Name of System: Sonoran Ridge	ADEQ Public Water System Number: AZ04-07-732

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	58	630	484	
FEBRUARY	59	317	407	
MARCH	59	323	436	
APRIL	59	466	535	
MAY	58	435	528	
JUNE	59	504	833	
JULY	57	740	924	
AUGUST	57	1,251	704	
SEPTEMBER	57	593	857	
OCTOBER	58	762	770	
NOVEMBER	57	536	656	
DECEMBER	57	520	542	
TOTALS →		7,075	7,676	

What is the level of arsenic for each well on your system?
(If more than one well, please list each separately.)

ADWR #55-572657 (Sonoran Ridge) 12 ppb, EPDS 5 ppb

If system has fire hydrants, what is the fire flow requirement? ____GPM for ____hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
 (X) Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 (X) Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 () Yes (X) No

If yes, provide the GPCPD amount:_____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: VALENCIA WATER COMPANY – GREATER BUCKEYE DIVISION	
Name of System: Bulfer/Primrose	ADEQ Public Water System Number: AZ04-07-114

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	87	1,282	756	
FEBRUARY	88	626	611	
MARCH	88	494	684	
APRIL	88	709	925	
MAY	88	895	954	
JUNE	88	916	1,092	
JULY	90	1,147	1,270	
AUGUST	90	1,607	1,042	
SEPTEMBER	90	698	922	
OCTOBER	89	1,740	810	
NOVEMBER	89	810	950	
DECEMBER	89	802	698	
TOTALS →		11,726	10,714	

What is the level of arsenic for each well on your system?
(If more than one well, please list each separately.) ADWR #55-618513 (Bulfer) 7.1 ppb

If system has fire hydrants, what is the fire flow requirement? ____GPM for ____hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
(X) Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
(X) Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes (X) No

If yes, provide the GPCPD amount:_____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: VALENCIA WATER COMPANY – GREATER BUCKEYE DIVISION	
Name of System: Sweetwater 2	ADEQ Public Water System Number: AZ04-07-129

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	89	1,062		734
FEBRUARY	89	500		643
MARCH	89	603		991
APRIL	90	944		974
MAY	91	827		958
JUNE	90	841		1,252
JULY	90	1,179		1,166
AUGUST	90	1,765		1,042
SEPTEMBER	90	721		1,061
OCTOBER	89	1,138		935
NOVEMBER	90	726		869
DECEMBER	90	744		775
TOTALS →		11,051		11,400

What is the level of arsenic for each well on your system?
(If more than one well, please list each separately.)
 ADWR #55-80233 (SWII) 8.2 ppb, interconnect with City of Goodyear, EPDS 6.8 ppb

If system has fire hydrants, what is the fire flow requirement? ____GPM for ____hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
 (X) Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 (X) Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 () Yes (X) No

If yes, provide the GPCPD amount:_____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: VALENCIA WATER COMPANY – GREATER BUCKEYE DIVISION	
Name of System: Sun Valley	ADEQ Public Water System Number: AZ04-07-195

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	374	3,217	2,862	
FEBRUARY	376	1,676	1,973	
MARCH	376	1,979	2,518	
APRIL	370	2,856	4,181	
MAY	373	2,799	3,915	
JUNE	373	3,439	4,818	
JULY	380	4,558	5,447	
AUGUST	382	7,315	4,360	
SEPTEMBER	379	3,266	4,422	
OCTOBER	378	4,525	3,901	
NOVEMBER	375	5,072	3,219	
DECEMBER	377	2,578	2,678	
TOTALS →		43,280	44,294	

What is the level of arsenic for each well on your system?
(If more than one well, please list each separately.)
 ADWR #55-802328 (SW I) and ADWR #55-800946 (SVII) Off-Line
 ADWR #55-809473 (Sun Valley) 8.9 ppb

If system has fire hydrants, what is the fire flow requirement? ____GPM for ____hrs
 If system has chlorination treatment, does this treatment system chlorinate continuously?
 (X) Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
 (X) Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
 () Yes (X) No

If yes, provide the GPCPD amount:_____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: VALENCIA WATER COMPANY – GREATER BUCKEYE DIVISION			
Name of System: Consolidated		ADEQ Public Water System Number: NA	

UTILITY SHUTOFFS / DISCONNECTS

MONTH		Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		0	19	
FEBRUARY		0	16	
MARCH		0	4	
APRIL		0	9	
MAY		0	6	
JUNE		0	8	
JULY		0	9	
AUGUST		0	8	
SEPTEMBER		0	18	
OCTOBER		0	6	
NOVEMBER		0	2	
DECEMBER		0	9	
TOTALS →		0	114	

OTHER (description):

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2010 was: **\$19,621.00**

Attach to this annual report proof (e.g. property tax bills stamped “paid in full” or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED
APR 15 2011
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA Maricopa

I, THE UNDERSIGNED Graham Symmonds, CTO & SVP Regulatory Affairs & Compliance

OF THE Valencia Water Company, Inc.

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



SIGNATURE OF OWNER OR OFFICIAL

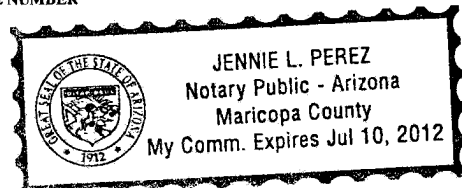
623-580-9600

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME JENNIE L PEREZ

A NOTARY PUBLIC IN AND FOR THE COUNTY OF MARICOPA

THIS 15 DAY OF APRIL, 2011.



MY COMMISSION EXPIRES 7/10/2012



SIGNATURE OF NOTARY PUBLIC

COMPANY NAME: VALENCIA WATER COMPANY – GREATER BUCKEYE DIVISION
YEAR ENDING 12/31/2010
INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>(\$ 26,710)</u>
Estimated or Actual Federal Tax Liability	<u>\$ 0</u>

State Taxable Income Reported	<u>(\$ 26,710)</u>
Estimated or Actual State Tax Liability	<u>\$ 0</u>

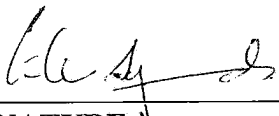
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>\$ 1,138,875</u>
Amount of Gross-Up Tax Collected	<u>\$ 0</u>
Total Grossed-Up Contributions/Advances	<u>\$ 0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

April 15, 2011

DATE

Graham Symmonds

PRINTED NAME

CTO & SVP Regulatory Affairs & Compliance

TITLE

VERIFICATION AND SWORN STATEMENT

Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA Maricopa

I, THE UNDERSIGNED Graham Symmonds, CTO & SVP Regulatory Affairs & Compliance

OF THE Valencia Water Company, Inc.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

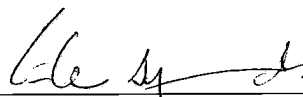
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 431,114.00

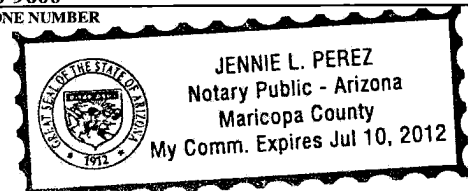
(THE AMOUNT IN BOX ABOVE INCLUDES \$31,068 SALE TAXES, \$0 ACC FEE, and \$0 RUCO FEE BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL

623-580-9600
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME JENNIE L PEREZ
A NOTARY PUBLIC IN AND FOR THE COUNTY OF MARICOPA
THIS 15 DAY OF APRIL, 2011.



MY COMMISSION EXPIRES 7/10/2012


SIGNATURE OF NOTARY PUBLIC

VERIFICATION AND SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

RECEIVED
APR 15 2011
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA **Maricopa**

I, THE UNDERSIGNED **Graham Symmonds, CTO & SVP Regulatory Affairs & Compliance**

OF THE **Valencia Water Company, Inc.**

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 422,368

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$29,612 SALES TAXES, \$0 ACC FEE, \$0
RUCO FEE BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL

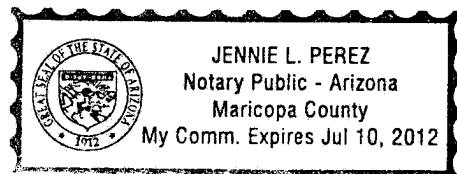
623-580-9600
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME JENNIE L PEREZ

A NOTARY PUBLIC IN AND FOR THE COUNTY OF MARICOPA

THIS 15 DAY OF APRIL, 2011.

MY COMMISSION EXPIRES 7/10/2012




SIGNATURE OF NOTARY PUBLIC